BAKER & HOSTETLER LLP ATTORNEYS AT LAW SAN FRANCISCO

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FIRE VICTIMS CLAIMS RESOLUTION PROCEDURES SUMMARY

PLEASE READ THE FOLLOWING SUMMARY IF YOU FILED A FIRE CLAIMANT PROOF OF CLAIM IN THE PG&E CHAPTER 11 CASES. THIS SUMMARY PROVIDES INFORMATION ON HOW YOUR CLAIM WILL BE PROCESSED AFTER PG&E RECEIVES BANKRUPTCY COURT APPROVAL OF ITS PLAN OF REORGANIZATION AND THE PLAN BECOMES EFFECTIVE.

STEPS TO REORGANIZATION: PG&E's and the Shareholder Proponents' Joint Chapter 11 Plan of Reorganization ("Plan") will govern the terms of its exit from chapter 11. You will receive the Plan and a Disclosure Statement that will describe the Plan and how PG&E proposes to implement it, and a ballot for you to vote in favor of or against the Plan. Your vote is important. The Bankruptcy Court will conduct a hearing after all ballots have been tallied to determine whether it will approve the Plan. IF THE PLAN IS APPROVED BY THE BANKRUPTCY COURT, YOUR CLAIM WILL BE PROCESSED AND MAY BE PAID EVEN IF YOU DID NOT CAST A VOTE OR VOTED AGAINST THE PLAN. IF THE PLAN IS NOT APPROVED, YOUR CLAIM WILL NOT BE PAID UNTIL ANOTHER PLAN IS APPROVED OR THERE IS ANOTHER RESOLUTION OF PG&E's CHAPTER 11 CASES.

RESOLUTION TRUST: Pursuant to the Plan, PG&E will fund a resolution trust for the benefit of Fire Victim Claimants ("<u>Trust</u>") in the amount of \$13.5 billion consisting of \$6.75 billion cash (of which \$1.35 billion will be paid from tax attributes over a two-year period) and \$6.75 billion of common stock of reorganized PG&E. Your claim will be processed by the Trust's Claims Administrator in conjunction with the Trustee of the Trust and, if your claim is approved, it will be paid from the Trust assets. NOTHING IN THE PLAN OR TRUST AGREEMENT REQUIRES YOU TO RECEIVE PAYMENT IN STOCK.

HOW TO GET YOUR CLAIM PROCESSED: The Trust is set up for the benefit of the 2015, 2017 and 2018 Fire Victims who have filed claims in the PG&E Chapter 11 Cases. These claims include individual victims claims, business victims claims and currently includes claims of certain government units. The Trust will treat all Fire Victim Claimants fairly and with dignity. The Trustee and Claims Administrator are developing objective criteria for approval of claims, as well as valuation of both "economic damages" such as destruction or damage to real estate and personal property, additional living expenses, lost wages, and business losses, personal injury or death and related medical expenses, and "non-economic damages" such as emotional distress related to bodily injury or death or the trauma of a dangerous evacuation from the fire and/or the loss of use and enjoyment of your property and community.

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The Trustee and Claims Administrator will develop detailed claims procedures that will guide your attorney or you, if you do not have an attorney, in how your claim will be evaluated, including what, if any, information and documents you will need to provide to support your claim. For example, you may be asked to submit information and documents needed to verify your claim, which may include proof of ownership or residence at the time of the fire, information regarding damage to your home and its contents, land, rental agreements and receipts for additional living costs, documents related to business income loss or lost wages, and information regarding the emotional impact of your evacuation from the fire and the loss of use and enjoyment of your home, in addition to other relevant information and documents the Trust may need to evaluate your claim. If the Trust determines that it needs more information to evaluate your claim, you may be requested to submit it. If you have an attorney, all communications with the Trust will go through your attorney. Any information and documents that you provide will be considered confidential and used only for evaluating your claim.

The Trust will also have access to publicly available and other information related to your claim, such as information from your insurance company, and it will use all of the appropriate available information including the information you provide to evaluate and process your claim.

If you already settled your fire claim with PG&E before PG&E filed for chapter 11 or during the Chapter 11 Cases, your attorney should provide a copy of the settlement agreement to the Trust.

EXPLANATION OF HOW YOUR CLAIM IS ALLOWED FOR PAYMENT:

The Trust will review your claim and the information and documents that relate to your claim. The Trust will determine if your claim is eligible or ineligible for payment and, if eligible, in what amount. If you accept the Trust's determination and your claim has been determined to be eligible, your claim will be paid. The Trustee will have full discretion in managing the funds in the Trust, and may decide to pay claims in installments.

The Plan does not absolve the insurance carriers of their obligations to fulfill their coverage obligations under their policies of insurance with you. The Trust will not take on any responsibility for your insurance carrier's obligations to you.

WHAT TO DO IF YOU CONTEST THE TRUST'S TREATMENT OF YOUR

CLAIM: If you do not wish to accept either: (1) the Trust's determination that your claim is ineligible for payment; or (2) the amount awarded by the Trust for your claim, you will have options to seek the review of the determination. Each of these options will be explained in detail in the forthcoming procedures. In all circumstances, after the exhaustion of the review processes contained in the

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forthcoming procedures, the determination resultant from the Trust, in accordance with the procedures, will be final. If you contest the Trust's award and are not represented by legal counsel, you may wish to consult with legal counsel of your choice.

TIMING: PG&E currently intends to present the Plan to the Bankruptcy Court for confirmation and approval on May 27, 2020 and PG&E is seeking to obtain an order from the Bankruptcy Court confirming the Plan before June 30, 2020, the deadline set by the California Legislature for PG&E to meet the requirements of AB 1054.

The Trust will not begin processing claims unless and until the Plan is approved and confirmed and becomes effective.